



## **Blue Dog Blueprint for Fiscal Reform:**

### **The Tax Information for New Fiscal Oversight (INFO) Act**

Failure to address our nation's fiscal crisis will not only cripple our economy, it will have devastating consequences for future generations of Americans, who will ultimately have to pay for today's deficit spending. Interest payments on the debt will soon crowd out other investments, and consumers and small businesses, which already face limited access to credit, could see that problem compounded by rising interest rates.

Balancing the budget will require a comprehensive examination of our fiscal system, and achieving success means that everything must be on the table. Tax expenditures—credits, deductions, exemptions, and exclusions—accounted for over \$1 trillion in government spending last year—many of which exist in the form of outdated tax loopholes. Yet, Congress lacks a consistent process to analyze and measure tax expenditures to determine whether they are achieving their objectives. As a result, many tax provisions simply remain in the tax code indefinitely.

The Tax Information for New Fiscal Oversight (INFO) Act is a commonsense budget enforcement tool that would require The Joint Committee on Tax (JCT) to provide Congress and the public with a straightforward analysis of each provision in the tax code, a necessary component of any serious plan to address the nation's current fiscal crisis. We simply cannot continue to allow government spending, regardless of how it occurs, to go unchecked. The American people deserve to have a clear idea of where their money is going.

Specifically, the Tax INFO Act would:

- Increase transparency by requiring the JCT to provide an annual analysis of each provision in the tax code for its equity, efficiency, and ease of administration. Just like any small business, the federal government should know how money is being spent, and whether or not it is achieving its intended objective.
- Require that JCT report on the aggregate revenue lost through the tax code so that the policy makers and the American people can better understand how tax expenditures affect the bottom line.
- Increase government accountability by providing necessary oversight of the estimated \$1.2 trillion in spending on tax credits, deductions, exemptions and exclusions each year.